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The situation in Afghanistan and its implications for international peace and security

Strengthening of the coordination of humanitarian and disaster relief assistance of the United Nations, including special economic assistance: emergency international assistance for peace, normalcy and reconstruction of war-stricken Afghanistan

Macroeconomic policy questions: international trade and development

Measures to eliminate international terrorism

Letter dated 16 September 2004 from the Permanent Representative of Kazakhstan to the United Nations addressed to the Secretary-General

I have the honour to forward to you the text of the joint statement entitled "Central Asia + Japan", signed by the Ministers for Foreign Affairs of Japan, the Republic of Kazakhstan, the Kyrgyz Republic, the Republic of Tajikistan and the Republic of Uzbekistan at a meeting held in Astana, Kazakhstan, on 28 August 2004 (see annex).

I should be grateful if you would have the present letter and its annex circulated as a document of the General Assembly, under agenda items 27, 39 (d), 83 (a) and 148, and of the Security Council.

(*Signed*) Yerzhan Kh. **Kazykhanov**

04-51565 (E) 210904

Annex to the letter dated 16 September 2004 from the Permanent Representative of Kazakhstan to the United Nations addressed to the Secretary-General

[Original: English and Russian]

Joint Statement
"Central Asia + Japan" Dialogue/Foreign Ministers' Meeting
—Relations between Japan and Central Asia as They Enter a New Era—

Astana, August 28, 2004

We, the Minister for Foreign Affairs of Japan and the Foreign Ministers of the Republic of Kazakhstan, the Kyrgyz Republic, the Republic of Tajikistan, and the Republic of Uzbekistan held a meeting on August 28, 2004, in Astana, Kazakhstan, and discussed future cooperation between Japan and Central Asia.

We welcomed that the "Central Asia + Japan" Dialogue had been initiated as a new framework for cooperation, thereby elevating relations between Japan and Central Asia to a new level, and shared the following views.

1. Fundamental principles and values

(1) We shared the view that the peace and stability of the Central Asian region is of a great importance to the stability and prosperity not only for Eurasia but also for the entire international community.

(2) We appreciated steady progress of cooperative relationship between Japan and Central Asia.

(3) We shared the view that, based on the friendly relations built up hitherto, mutual cooperation would be further deepened and expanded through ongoing exchanges of views concerning the possibilities for new development of the relationship between Central Asia and Japan, and the means of fostering the relationship.

(4) Noting that, through assiduous post-independence nation-building efforts made by the Central Asian countries to achieve stability and growth with the aim of realizing democratization and market economies, the Central Asian countries have maintained the stability of the region and have contributed to the peace and stability of Eurasia, we affirmed that for the Central Asian countries it will remain extremely important to continue and further strengthen various efforts to counter terrorism and eradicate poverty, to create free and democratic societies, to achieve stabilization and improvement of people's daily lives through steady economic growth, as well as to ensure human security. The Minister for Foreign Affairs of Japan expressed Japan's expectations with respect to the further efforts to be made by the Central Asian countries, and reaffirmed its intention to assist the efforts made by each country.

(5) Noting that the threat of terrorism still remains high in the region, we reiterated the shared view that terrorism cannot be justified for any reason and can never be tolerated. We also reaffirmed the utmost importance of enhancing close international cooperation in this context.

(6) We stated our intent for Japan and Central Asia to address both regional and global issues as partners.

2. Further deepening and broadening of the relationship between Japan and Central Asia

(1) We reaffirmed that, given the historical and cultural ties between Japan and Central Asia, there exists a solid foundation for the further developing and deepening of their friendly relations.

(2) The Minister for Foreign Affairs of Japan appreciated the nation-building efforts made by the Central Asian countries. The Ministers of the Central Asian countries expressed their gratitude for Japan's assistance, extended hitherto as a part of its "Silk Road diplomacy" that has made an important contribution to the peace, stability and prosperity of their countries.

(3) Based on the recognition that, in the present international situation, where the Central Asian countries are acquiring greater geopolitical importance, the cooperative relationship between the Central Asian countries and Japan contributes to the peace and stability not only for the Central Asian region but also for the international community as a whole, we expressed our intention to seek further possibilities for cooperation, noting that the cooperation between Japan and the Central Asian countries had been achieved in a number of fields including those set out below;

- Cooperation for the consolidation of peace
- Cooperation for economic and social development
- The expansion of economic interaction and the strengthening of the foundations therefor
- Cooperation relating to energy and environmental issues
- Cooperation towards the expansion of cultural exchange
- The facilitation and promotion of human exchanges and human resource development

3. The importance of Intra-regional cooperation within the Central Asian region

(1) Sharing the recognition that there are a number of challenges in the Central Asian region that all the countries in the region equally face and that are difficult for any individual country to resolve alone, such as terrorism, drugs, transportation, effective use of water and energy resources, trade, protection of environment, we shared the view that effective solutions should be found to these problems in order to achieve peace and stability in Central Asia and to achieve prosperity by realizing the region's economic development potential.

(2) We further noted that, by Central Asian countries joining their hands, a market of economically more viable scale could emerge. For these purposes participants of the meeting have emphasized importance of implementation of the initiative on gradual creation of the Central-Asian Common Market, which will promote more complete use of available potential of the region, its stable development and deepening regional cooperation.

(3) We recognized that, by establishing solidarity among the Central Asian countries and deepening intra-regional cooperation with a view to addressing the common challenges mentioned above, the entire region could achieve robust growth and prosperity as a coherent and resilient community.

(4) Sharing the recognition that the peace and reconstruction of Afghanistan is essential for the stability and prosperity of the Central Asian region, we expressed our common intention to strengthen cooperation for assisting the realization of the peace and reconstruction of Afghanistan.

(5) The Ministers of the Central Asian countries expressed their view that, for the aforementioned purposes, the Central Asian countries should take steady and concrete steps for such intra-regional cooperation, in spite of possible initial difficulties.

(6) The Minister for Foreign Affairs of Japan expressed Japan's willingness to support and assist efforts made by the Central Asian countries to cooperate among themselves to address the aforesaid issues.

4. Cooperation in the international arena

(1) We affirmed that solidarity among the Central Asian countries would not only lead to the growth and prosperity of the region but would also, given the region's geopolitical importance, occupy an important position in the international community.

(2) We shared the intention that Japan and the Central Asian countries will enhance their cooperation in the international arena, including that within in international organizations, such as the United Nations, and will constructively collaborate to resolve issues which have international dimensions.

(3) We confirmed that the core of the United Nations reform, and particularly of the Security Council reform, is the expansion in both permanent and non-permanent categories of the Security Council. The Ministers of the Central Asian countries further expressed their expectation that Japan would play more political roles in the international community, and expressed their unanimous support for Japan's permanent membership in the Security Council.

5. The "Central Asia + Japan" Dialogue

(1) We affirmed that, in pursuing further cooperation between the Central Asian countries and Japan, the "Central Asia + Japan" Dialogue initiated at this meeting will proceed in accordance with the basic principles set out below.

- Respect for diversity
- Competition and coordination
- Open cooperation

(2) We affirmed that the following objectives will be pursued through this dialogue.

- The strengthening of peace, stability, and democracy in the Central Asian region
- The strengthening of the region's economic foundations, the promotion of reform and the social development of the region, including the correction of intra-regional disparities
- The strengthening of intra-regional cooperation by the Central Asian countries
- The maintenance and development of good relations between Central Asia and neighboring regions as well as with the international community
- Cooperation between Japan and Central Asia with respect to both regional issues and issues having international dimensions.

(3) We shared the recognition that cooperation under this Dialogue will assist Central Asia's voluntary efforts and will contribute to increasing the region's economic resilience, to assuring the stability and development of the region, and to further strengthening the solidarity among the countries of the region.

6. Promoting future dialogue and communication

(1) We shared the view that the basis of the relationships between Japan and the Central Asian countries should be strengthened further by promoting broad-ranging human exchanges, including those among the youth generation.

(2) We shared the view that the "Central Asia + Japan" Dialogue would be pursued at various levels. We shared the view that "the 2005 World Exposition in Aichi, Japan" could provide an important opportunity in this regard.

August 28, 2004

Mrs. Yoriko Kawaguchi
Minister for Foreign Affairs
Japan

Mr. Kassymzhomart Tokaev
Minister for Foreign Affairs
Republic of Kazakhstan

Mr. Askar Aitmatov
Minister for Foreign Affairs
Kyrgyz Republic

Mr. Talbak Nazarov
Minister for Foreign Affairs
Republic of Tajikistan

Mr. Sodiq Safaev
Minister for Foreign Affairs
Republic of Uzbekistan

United Nations S/2004/748

Security Council

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20 September 2004
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Letter dated 20 September 2004 from the Secretary-General addressed to the President of the Security Council

I have the honour to refer to the Accra III Agreement on Côte d'Ivoire concluded on 30 July 2004 in Accra, to the statement by the President of the Security Council of 5 August 2004 (S/PRST/2004/29) and to my letters dated 16 August 2004 (S/2004/667) and 3 September 2004 (S/2004/716) concerning the monitoring of the Agreement.

Please find attached the third report of the Tripartite Monitoring Group established under the Accra III Agreement, covering the period from 1 to 15 September 2004 (see annex). I should be grateful if you would bring the present letter and its annex to the attention of the members of the Security Council.

(*Signed*) Kofi A. Annan

04-51735 (E) 240904

Annex

IMPLEMENTATION OF THE ACCRA III AGREEMENT

THIRD REPORT OF THE MONITORING GROUP
Covering 1 to 15 September 2004

I. OVERVIEW

1. The security situation in the country has been calm in the period under review. The Quadripartite Commission has been working to invigilate security on both sides of the Zone of confidence. Consultations within the Commission point to serious attempts at verifying the implementation of the decisions taken on reducing and dismantling checkpoints and recovering heavy weaponry. This has brought about some progress in securing greater freedom of movement of persons and goods in other parts of the country.

2. The Government of National Reconciliation resumed its activities after a short period of recess. The President and the Prime Minister are leading the various levels of activities to grapple with national problems of high priority. These relate to the contingency plans to syndicate funding to meet the expenses to be incurred in the impending reopening of schools and social services throughout the country and to the crisis in the coffee-cocoa industry. The President has embarked on a series of consultations prior to his decision to reform the coffee-cocoa sector in order to stem the declining revenue to the state and, what is politically significant, alleviate the growing social tensions among the farmers and producers with its implications for national reconciliation, national reconstruction and the peace process. The Prime Minister has embarked on overseas missions to seek external funding from the Bretton Wood institutions and from the donor community in the UN and the European Union.

3. The political scene has been dominated by the activities of the major political parties as they position themselves in the campaign leading to the October 2005 elections. The politics of such posture is also reflected in the proceedings of the National Assembly in particular, the current haggling over the passage of the texts of legislation on the Nationality Code and on the composition of the Independent Electoral Commission. The parliamentary caucuses have sought the good offices of the Tripartite Monitoring Group and the Monitoring Committee. Consequently, the two

bodies are engaged in facilitating a dialogue and a compromise between the principal protagonists in the National Assembly.

4. Meanwhile, there is some progress in the National Assembly's adopting at the committee stage the draft legislation on ***Public funding of political parties and groups and electoral campaigns***. The National Assembly also has on its agenda the consideration of the draft legislation on ***the Regime governing the Press*** which has just been adopted by the Council of Ministers and awaiting its formal transmission by the President of the Republic to the National Assembly.

5. Out of the heightened public debate, there is no doubt that much concern is focused on what the public perceives as the slow pace and political obstacles in the adoption of the legislative reforms envisaged under the Linas-Marcoussis Agreement and highlighted in the Accra III Agreement.

6. In spite of the impressions given about the sharp divisions among the political actors, it may be observed that attempts are being made to promote alliances and repair frayed personal relations between political actors. A striking case in point is the decision taken at the level of the Government of National Reconciliation to improve personal and social relations among members of the Government. It has been agreed that fortnightly luncheons would be initiated and hosted in turns, starting with the Prime Minister through the former Prime Minister to other political leaders. Such social and convivial occasions are intended to improve relations among Ministers beyond what has so far been, for the most part, mere working relations.

II. SALIENT DEVELOPMENTS IN THE PEACE PROCESS

Proceedings on legislative texts in the National Assembly

7. It may be noted from the Synoptic Table on the status of progress of legislative texts (enclosure 1) that in the period under review that there has been an update regarding only two texts: the ***Public funding of political parties and electoral campaigns*** and the ***Regime governing the Press***. The text on the Nationality Code, which was withdrawn from the Assembly, is still under consultations within the Government.

8. The current gridlock in the proceedings of the National Assembly began on 26 August 2004 following the refusal of the opposition Parliamentary groups to participate in a vote on an amendment proposed by the FPI group to Article 5 of the Government's draft legislation on the composition of the Independent Electoral Commission (IEC). The Minister of Territorial Administration, Issa Diakite, who presented the text in the Assembly, walked out of the Assembly with the other opposition groups. On the instructions of the President of the Republic, the Minister in charge of Relations with Institutions of State, M. Alphonse Douaty, requested the suspension of proceedings on the text pending resolution of the impasse by the Government. The essential points of disagreement are over the representation of the Forces Nouvelles in the proposed new membership of the IEC. The Government's draft proposes equal representation of two persons for each of the signatories of the Linas-Marcoussis Agreement. This implies that Forces Nouvelles would be entitled to six representatives. The FPI considered this to be an imbalance of representation in favour of the Forces Nouvelles and therefore proposed initially one representative for the Forces Nouvelles as one political entity. Subsequently, after consultations, the FPI had now agreed to two representatives for the Forces Nouvelles. The G7 Marcoussistes maintained their support for the Government's proposal implying six representatives for the Forces Nouvelles.

9. The Monitoring Group has met all the parliamentary caucuses and there is a compromise which is emerging to agree on three representatives for the Forces Nouvelles as a bloc. Both the Monitoring Group and the Monitoring Committee have agreed to leave the negotiations among the parliamentary groups under the possible lead role of the PIT political leader, Professor Francis Wodie.

10. In their consultations with the FPI parliamentary caucus, the Monitoring Group raised the wider question of the especial responsibility of the caucus to convince the FPI as a party and the President of the Republic so that by the 30 September deadline, the National Assembly could have adopted legislation on the Nationality Code, on the Composition of the IEC and on the amendment to Article 35. The Monitoring Group also took the liberty to point out that thought must be given to reconstituting the Constitutional Council to include opposition representatives in order to avoid the political controversy that could soon erupt over the credibility of that Council as at present constituted. The suggestion was made because the Council has powers, inter alia, to determine the eligibility of candidates for presidential and parliamentary

elections and to adjudicate on challenges to the results of presidential and parliamentary elections.

Electoral process

11. ONUCI is encouraging a continuing dialogue on all related aspects of the electoral process including the identification exercise. To that end, it has taken the initiative to create a coordination framework among the various potential partners likely to extend their support for the elections. Two meetings had been held among the partners on 1 and 14 September 2004. The first meeting recommended the establishment of a working committee comprising ONUCI/UNDP/EU to assess the situation with regard to the electoral process including the identification process; to make recommendations for the strengthening of the institutional capacity of the Ivorian administration; to draw up a programme of action with the institutions involved in the electoral process to ensure rigorous follow-up action. The meeting recommended creating a forum for consultations among development partners, the IEC, the National Identification Office (NIO), the National Commission for supervising identification (NCSI), the CNDDR and CNRA to ensure a better coordination of all activities relating to the electoral process. The meeting proposed the postponement of the UN electoral assessment mission until the beginning of October pending the evolution of the parliamentary proceedings on the relevant texts of legislation relating to the electoral process.

12. The UK Ambassador, who participated in the meetings, has indicated that the UK is interested in providing some support for the electoral process. He intends to ask IFES to undertake a mission to Cote d'Ivoire to look into the prospects for such assistance.

13. Meanwhile, the UNDP has commissioned the preparation of a project-document on technical assistance to support the organisation of a referendum and the presidential elections of October 2005. The terms of reference of the consultant will be the following: i) to assess the funding available within the UNDP and the donor community; ii) to give a detailed assessment of the technical assistance needs of the IEC; iii) to assess the status of preparations made for the organisation of the elections and review the operational plan and cost estimates for the elections; iv) to prepare a work plan for the IEC and international and national experts supporting the project; and v) to assist UNDP in mobilising resources among the donor community.

14. The European Union has provided the services of a technical expert within the framework of its cooperation programme with Cote d'Ivoire to facilitate cooperation in the area of the electoral and the identification processes.

Confidence-building measures

- Peace corridors *(Corridors de la Paix)*

15. ONUCI and UNDP launched, on 8 September 2004, a programme designated Peace corridors after due consultations with the Government, in particular the Ministers of National Reconciliation, Territorial administration, Victims of war, the displaced and exiles, Solidarity and Social security. The programme has been launched as a significant contribution to the commemoration of peace and national reconciliation starting from the second anniversary of the Ivorian crisis on 19 September. The programme will involve the UN system of agencies in Cote d'Ivoire and ONUCI impartial forces. During the week of the commemoration, children from displaced families will be organised to travel to Bouake to reunite with their families. Subsequently, more of these exercises will be replicated to demonstrate the human factor in the peace process, especially in the reunification of the country. In November – December 2004, three such expeditions will be mounted from Man to Guiglo in the West; Abidjan to Bouake in the central region ; and Bouna to Bondoukou in the East.

- Committee for Public Hearing of ECOWAS Residents
  (Comité d'écoute des étrangers ressortissants des pays de la CEDEAO)

16. In another development reflecting efforts at national reconciliation, the Head of State inaugurated on 8 September 2004 under the aegis of the Ministry of African Integration, a "Comité d'écoute" to serve as a forum to address the grievances of ECOWAS residents in Cote d'Ivoire. The Committee comprises representatives of various ECOWAS communities who will deliberate with officials from various government ministries (Foreign affairs, Interior, Finance, Trade, Health, in particular). The institution of this forum is a positive signal to the ECOWAS residents of the intention of the Ivorian Government to improve relations with its neighbours and ensure ultimately the general welfare of foreign residents, as recommended under the Linas-Marcoussis Agreement.

Preparations for DDR

17. On 31 August 2004, the CNDDR held a meeting with the national stakeholders and partners to review the preparations for the DDR programme, which is due to begin on 15 October 2004. A revised draft of the DDR roadmap was circulated to the stakeholders and partners. The roadmap and related-funding issues were to be finalized subsequently. A number of issues were raised:

- The World Bank representative focused on linking the DDR roadmap to financing. In light of the suspension of the Bank's disbursement to Cote d'Ivoire, he reiterated that the Bank could not presently fund the DDR process. Even the possibility of reimbursing funding retroactively is unlikely unless the suspension is lifted before year-end. Although the Government is planning to use World Bank funding for the reinsertion and the reintegration phase, the President of the CNDDR noted that the Government is now also looking at alternative means of funding.

- The World Bank representative also raised concerns that the higher payment-levels for ex-combatants in Cote d'Ivoire ($900 in three instalments: the first $225 paid in the beginning of the process, $225 after one month and $450 after three months) would attract foreign fighters who would attempt to undergo the Ivorian DDR process. Instead, the Bank proposed $400 as the payment amount, with the remainder of the funds being used for vocational training. The President of CNDDR stated that the payments were in line with the higher cost of living in Cote d'Ivoire and that the Bank's concerns were unjustified as the current deployment of ONUCI peacekeepers along the borders, combined with the unit disarmament approach would likely prevent significant cross-border movement of foreign fighters to join the DDR.

- The UNICEF representative at the meeting indicated that the number of child soldiers eligible for the DDR process is unlikely to exceed 3,000.

Observations

18. These periodic "partners meetings" chaired by CNDDR, which involve all the national stakeholders and international partners, are proving to be a useful mechanism

for co-ordination of a complex exercise. However, it is already apparent that a number of issues will need close attention, namely:

- Financing

  It is essential that the funding problem be resolved well before the DDR completes its operative phase. The Government was counting on the World Bank to finance the "*filet de sécurité*" (security net), which is essential to ensure the immediate reintegration or resettlement of the ex-combatants. However, with the suspension of the Bank's lending operations, this is now uncertain. The disarmament should not begin until this problem is resolved as it would be very dangerous to begin a process that would create expectations that would not be fulfilled.

- Security in the North

  The assignment of ONUCI trained security auxiliaries to the North during and after DDR has been agreed in principle by all concerned but their status after the disarmament is still to be confirmed. This matter is under discussion with the national authorities with the aim of ensuring their reintegration into the police and gendarmerie on the understanding that the proper selection and training procedures will be applied from the outset. At the same time, the Forces Nouvelles now appear willing to accept that the national command of the police and gendarmerie is present in the North to ensure effective supervision and to train security auxiliaries during their initial 45 days of training. However, the presence of police and gendarmerie is only part of a broader set of measures including the assignment of judicial officers that will need to be taken to ensure that a security and governance vacuum does not emerge post DDR.

- Post- September 2002 recruits

  Linas-Marcoussis called for the discharge of all recruits to the army after September 2002. Some 4,000 soldiers are involved. The President of CNDDR has taken this issue up with the Minister of Defence. Although not strictly linked to the issue of recruits, the broader question of the restructuring of the security forces has also been raised in this context. The Prime Minister has created an

informal working group to begin a process of reflection on this topic. We understand that ONUCI will be asked to contribute to this initiative.

- Status of Combatants

  Two problems are likely to emerge. The first is how to identify combatants as nationals of Cote d'Ivoire in the absence of proper documentation. The second relates to the treatment of foreign combatants in the immediate period after disarmament. While CNDDR does not expect a large, cross-border influx of foreign fighters, there are undoubtedly combatants of foreign origin already in Cote d'Ivoire. The procedures for identifying and dealing with these cases need to be reviewed to ensure that they are easily understood and applicable. If not there is a danger that the DDR process could be disrupted by ex-combatants who may feel excluded from benefits.

19. At another meeting on DDR on 7 September 2004, with the national stakeholders and partners, a number of issues were raised:

- The issue of the recruitment of personnel for the regional DDR bureaus was raised. There will be three bureaus in the North and three in the South; each will be staffed with 5-6 officers. The CNDDR noted that it had already recruited 50% of the personnel for its bureaus in the South and that recruiting in the North will be completed by mid-September.

- There are 11 DDR zones throughout the country; each will have four or five sites focusing on the various aspects of regrouping, disarmament and/or demobilization. UNDP is rehabilitating the demobilization sites while the Government is rehabilitating the remaining sites. UNDP is also assisting CNDDR with recruiting staff for all the DDR sites. The terms of reference for these staff positions (including for doctors, psychiatrists and administrators) have been prepared and the recruitment process will soon begin.

- A synopsis plan (hereto attached as Annex 3) has been prepared by the CNDDR planning committee. This plan sets out the DDR timeframe, starting with the first phase of DDR, in the eastern, central and western regions of the country, and continuing through the second phase, in the North and South of the country. It was agreed that financial details still needed to be worked out. The World Bank

representative re-echoed some of his concerns highlighting the need for linking up financial and budgetary considerations to the plan. A special meeting has been scheduled for this. It was agreed that once all these details are finalized, all the partners would sign on to the plan.

- An initial plan for securing the DDR zones and sites, during the various stages of the disarmament and demobilization process, has been presented.

- The Forces Nouvelles expressed their concerns about the nationality status of individual combatants entering the DDR process. They insisted that combatants should be identified as Ivorian or not during the regrouping phase and not after the disarmament phase. This demand has serious implications given the on-going political debate on the nationality issue. The CNDDR President noted that this was a political matter and that he would consult on this with the Government.

- In response to a question from the FN, the President of the CNDDR indicated that it was not planned that combatants of foreign origin would receive any post disarmament allowances. This response was vigorously contested by the FN representatives.

- The issue of the security auxiliaries was raised, in particular their post-DDR status. The Forces Nouvelles re-iterated their demand that these auxiliaries should be fully integrated in the national police and gendarmerie after the DDR is completed. The CNDDR President has undertaken to raise this issue with the Prime Minister.

Observations

20. The identification problem is a critical one that must be resolved before the DDR exercise begins. Also the absence of any material benefits is likely to discourage foreign combatants to disarm. There is a danger that combatants who are disappointed may react in a negative manner when learning that they will not receive any benefits from their disarmament especially if this were to happen when they are already in cantonment sites. This is a complicated issue because the CNDDR obviously does not want to link disarmament to the award or otherwise of nationality. These are serious concerns, which we intend to discuss again with the CNDDR in order to encourage

solutions acceptable to all concerned bearing in mind that the initial planning and financial estimates were based on an estimated total number of combatants without distinction by national origin.

21. The security issue for the north following the DDR is also a major preoccupation. We have set up an internal group to look at this in more depth, as we clearly must ensure that no security vacuum develops with the risk of lawlessness spreading in the areas where disarmament has taken place.

22. Following the CNDDR meeting, ONUCI convened an internal coordination meeting, with representatives of all relevant ONUCI components, as well as representatives from UNDP and UNICEF. It is intended to have these meetings regularly to ensure that the various components of the UN family in Cote d'Ivoire are able to tackle the DDR process in a coordinated and cohesive fashion.

III. HUMAN RIGHTS DEVELOPMENTS

23. Following the Accra III Agreement, there have been some encouraging developments in the field of human rights. Checkpoints, number of arrest and detention, disappearances, abuses at the checkpoints has decreased in their frequency. However, concerns continue to be raised particularly in the west of the country where pro-government militia activities, the circulation of small arms in the hands of the civilian population, inter-community and ethnic tensions continue to be reported. In the North of the country, rivalries between factions within the Forces Nouvelles have rendered the overall human rights situation fragile. The settling of scores between the different factions has led to cases of arrest and *incommunicado* detention, summary and extra-judiciary executions as well as forced disappearances.

24. During the reporting period, the International Commission of Inquiry established in accordance with the Linas-Marcoussis Agreement to investigate human rights violations committed since 19 September 2002 in Cote d'Ivoire visited different parts of the country as well as Mali, Burkina Faso, Ghana and Liberia. While the Government of Côte d'Ivoire fully cooperated with the International Commission of Inquiry, some key leaders of the Forces Nouvelles failed to respond positively to the invitation of the Commission. The Forces Nouvelles, however, facilitated the work of the Commission in the parts of the country under their control. The Commission

members were received in a farewell audience by President Gbagbo on 13 September 2004 before leaving Abidjan on 15 September for Geneva where they will finalize their report within a month. Meanwhile, two National Commissions of Inquiry, established by the Ivorian National Assembly, began their investigations in the week of 6 September 2004.

25. The newly established National Human Rights Commission of Côte d'Ivoire has not yet started operating. The Government of National Reconciliation should be encouraged to issue a decree nominating the members of the Commission to enable it to start implementing its mandate.

26. As enclosure 2 to this report is a Synopsis of the Status of implementation of the Accra III Agreement.

IV. CONCLUSION

27. Judging by the proceedings in the National Assembly, it is self-evident that the timetable set by the Accra III Agreement for the passage of the legislative texts envisaged under the Linas-Marcoussis Agreement might not be met by 30 September 2004. This should come as no surprise as the legislative procedures and power play in these matters all too often demonstrate.

28. In any event, however, the Monitoring Group would recommend that President Kufuor, President Obasanjo and Secretary-General Kofi Annan should plan their immediate move to ascertain from President Gbagbo what obstacles he has been facing in implementing the Accra III Agreement, in particular the issue of Article 35. It is now also time to see what other demarches could be undertaken to get the four major political leaders, President Gbagbo, Mr. Konan Bedie, Mr. Alassane Ouattara and Mr. Guillaume Soro, to meet and concert with a view to taking yet another critical look at what political formula can be found to resolve the issue of Article 35.

Signed on behalf of the Group

Ambassador Raph Uwechue
Chairman

Abidjan, 15 September 2004

Enclosure 1*

SYNOPTIC TABLE
STATUS OF PROGRESS OF LEGISLATIVE TEXTS ENVISAGED UNDER THE LINAS-MARCOUSSIS AGREEMENT

1) Legislation on the amendment to Article 35 of the Constitution	Yes	No	No	No	No
2) Legislation on the Ivorian Nationality Code as amended by Law No 72-852 of 21 December 1972	Yes	Yes [1]	No	No	No
3) Legislation on the Land tenure regime	Yes	Yes	Yes	Yes	No
4) Legislation on the National Human Rights Commission	Yes	Yes	Yes	Yes	
5) Legislation relating to the disclosure of the personal assets of the Head of State	Yes	Yes	Yes	Yes	No
6) Legislation on the public funding of political parties and groups and electoral campaigns	Yes	Yes	Yes	No	No

[1] The President of the Republic has, by letter, requested the National Assembly to temporarily remove from its agenda the draft text of legislation on the Nationality Code.

* Provided in language of submission only.

S/2004/718

7) Legislation authorising the President of the Republic to ratify the additional protocol A/SP1/6/89 amending and completing the provisions of article VII of the protocol, signed in Ouagadougou on 30 June 1989, concerning the free circulation of persons, the right of residence and settlement.	Yes	Yes	Yes	Yes	No
8) Legislation authorising the President of the Republic to ratify the additional protocol A/SP2/5/90 relating to the implementation of the third step (right of settlement) of the protocol concerning the free circulation of persons, the right of residence and settlement signed in Banjul on 29 May 1990	Yes	Yes	Yes	No	No
9) Legislation on Amnesty	Yes	Yes	Yes	Yes	Yes
10) Legislation on Identification of persons and Residence of foreign nationals	Yes	Yes	Yes	Yes	No
11) Legislation on the establishment, organization and functions of the Independent Electoral Commission	Yes	Yes	No	No	No
12) Legislation on the regime governing the Radio and Television media	Yes	No	No	No	No
13) Legislation on the regime governing the Press	Yes	No	No	No	No
14) Legislation on the Status of the opposition parties	No	No	No	No	No
15) Legislation on the disclosure of the personal assets of political leaders	No	No	No	No	No
16) Legislation on illegal personal enrichment	No	No	No	No	No

DECREES

1) Decree on the establishment, organisation, functions of the National Identification Commission	Yes on 6 January 2004
2) Decree on the acquisition and format of the National identity card	Yes on 7 January 2004
3) Decree relating to the amendment of the decree on the establishment of the National Identification Office	Yes in January 2004
4) Decree relating to the appointment of the Chairman of the National Identification Commission	Yes on 29 January 2004
5) Decree relating to the appointment of the Secretary General of the National Identification Commission	Yes on 29 January 2004
6) Decree relating to the establishment of the Inter-ministerial Commission on the Media and its technical Secretariat	Yes on 19 August 2003

Enclosure 2*

STATUS OF IMPLEMENTATION OF THE ACCRA III AGREEMENT

As of 15 September 2004

1. Delegation of powers to the Prime Minister	President Gbagbo to issue a decree specifying the areas covered by his delegations of powers to Prime Minister Diarra (text agreed in Accra).		Decree issued on 9/8/04
2. Resumption of the work of the Government of National Reconciliation (GNR)			
2.1. Reinstatement of the three Ministers dismissed by President Gbagbo	President Gbagbo to issue a decree reinstating the three Ministers.		Decree issued on 9/8/04
2.2. Convening of Council of Ministers	President Gbagbo (and/or the Prime Minister) to convene a meeting of the Council of Ministers and to extend invitations to all Ministers.	Within 7 days after signature of the agreement	First meeting held on 9/8/04. Subsequent meetings held on 12 and 19 August, 2 and 9 September 2004
3. Article 35 and other legal reforms			
3.1. Facilitation of the adoption by the National Assembly of the legal reforms provided for in the Linas-Marcoussis Agreement	President Gbagbo to convene an extraordinary session of the National Assembly to adopt all legal reforms in accordance with the letter and spirit of the Linas-Marcoussis Agreement.		Done on 28/7/04 Session began on 11/8/04

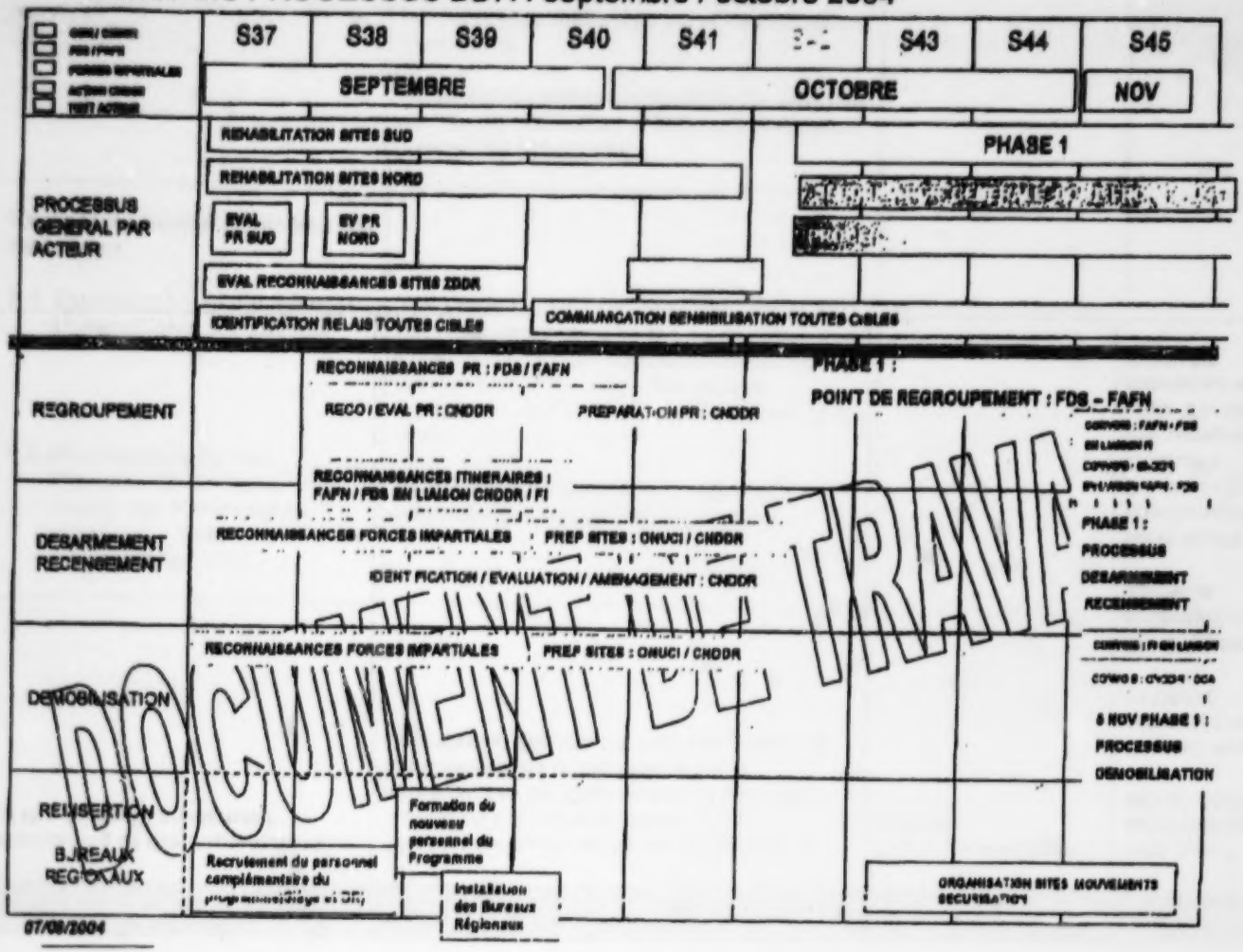
* Provided in language of submission only.

	All Ivorian parties to ensure that their respective representatives in the National Assembly support the adoption of these legislative texts, as stipulated in the Linas-Marcoussis Agreement.	By 31 August 2004	Work schedule adopted by the National Assembly to end by 30/9/04
3.2. Implementation of the provisions of section III of the programme of the GNR, annexed to the Linas-Marcoussis Agreement, on eligibility (article 35 of the Constitution)	President Gbagbo to use his constitutional powers to implement the relevant provisions on eligibility.	By 30 September 2004	
4. Disarmament, Demobilisation, Reintegration (DDR)			
4.1. Commencement of the DDR programme in accordance with the Linas-Marcoussis agreement and the decisions adopted in Yamoussoukro and Grand Bassam	The Prime Minister, the National Commission on DDR and the Ivorian parties concerned, with the support of international partners, including ONUCI, to make all necessary preparations for the commencement of DDR.	By 15 October 2004	
4.2. Commencement of the restructuring of the defence and security forces on the basis of the Grand Bassam road map	The Prime Minister and the Ivorian parties concerned, with the support of international partners, to ensure the early commencement of the security sector reform.		

5. Restoration of State administration and public services	The Prime Minister and the GNR to draw up a timetable for the restoration of State administration and public services throughout the country. All parties concerned to facilitate the effective and timely restoration of State administration throughout the country.		Ongoing
6. Respect for human rights and the rule of law 6.1. Establishment of the National Human Rights Commission 6.2. Investigations by the International Commission of Inquiry into human rights violations in Côte d'Ivoire since 19 September 2002.	The Prime Minister and the GNR to take all necessary measures for the establishment of the National Human Rights Commission, as provided for in the Linas-Marcoussis Agreement, and for the commencement of its work. All parties to cooperate fully with the International Commission of Inquiry.	As soon as possible	Ongoing

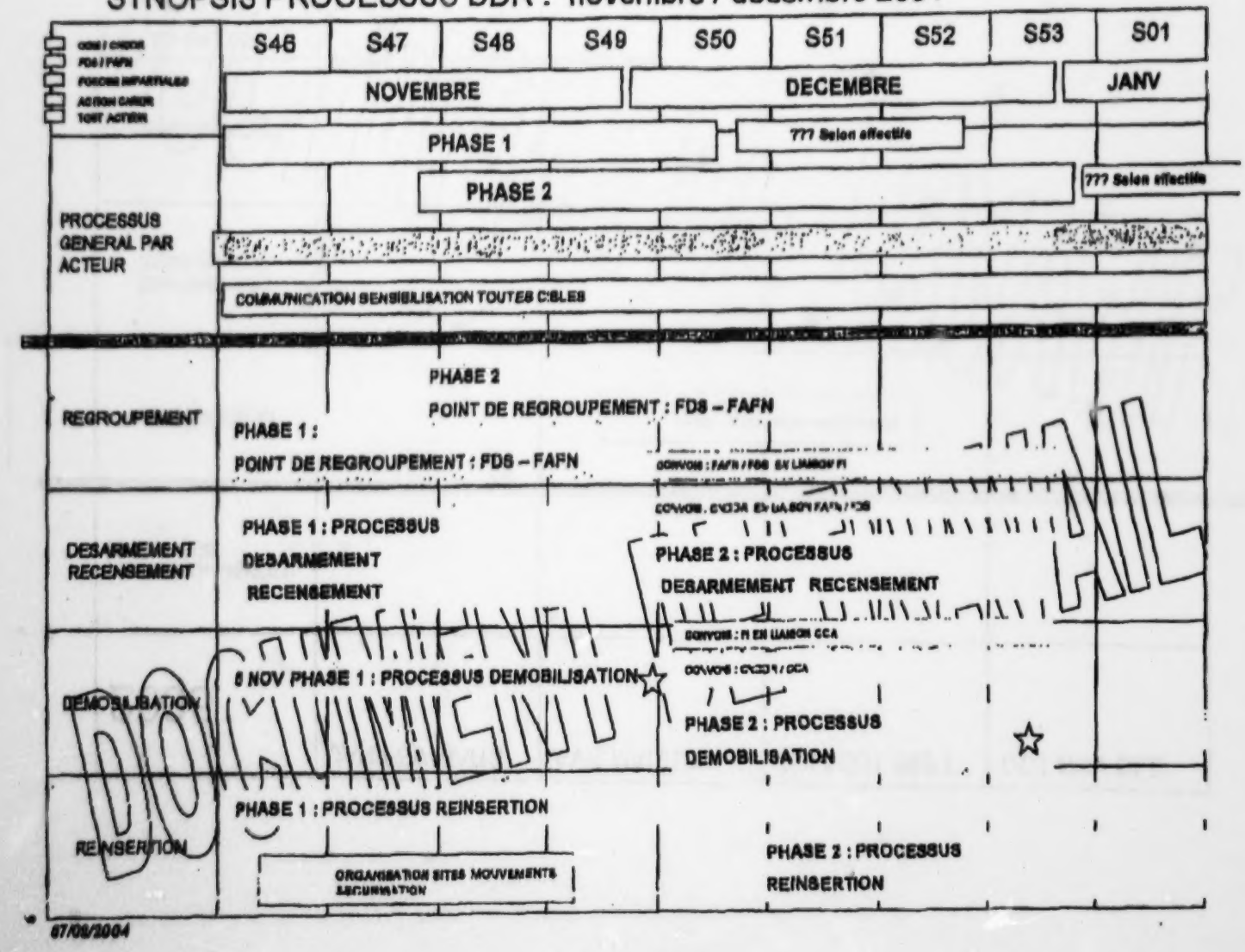
7. Monitoring of the implementation of the Accra III agreement	The Monitoring Group to submit fortnightly reports on the implementation of the agreement to the Chairperson of ECOWAS, the Chairperson of the African Union Commission and the UN Secretary-General.	Every 2 weeks from 30/7/04	**First report submitted by the MG on 10/08/04** **Second report submitted on 31/08/04** **Third report submitted on 15/09/04.** **Next report as a special update for the Security Council's discussions on Cote d'Ivoire to be submitted on 22/09/04**

Enclosure 3*



DOCUMENT DE TRAVAIL

SYNOPSIS PROCESSUS DDR : novembre / décembre 2004



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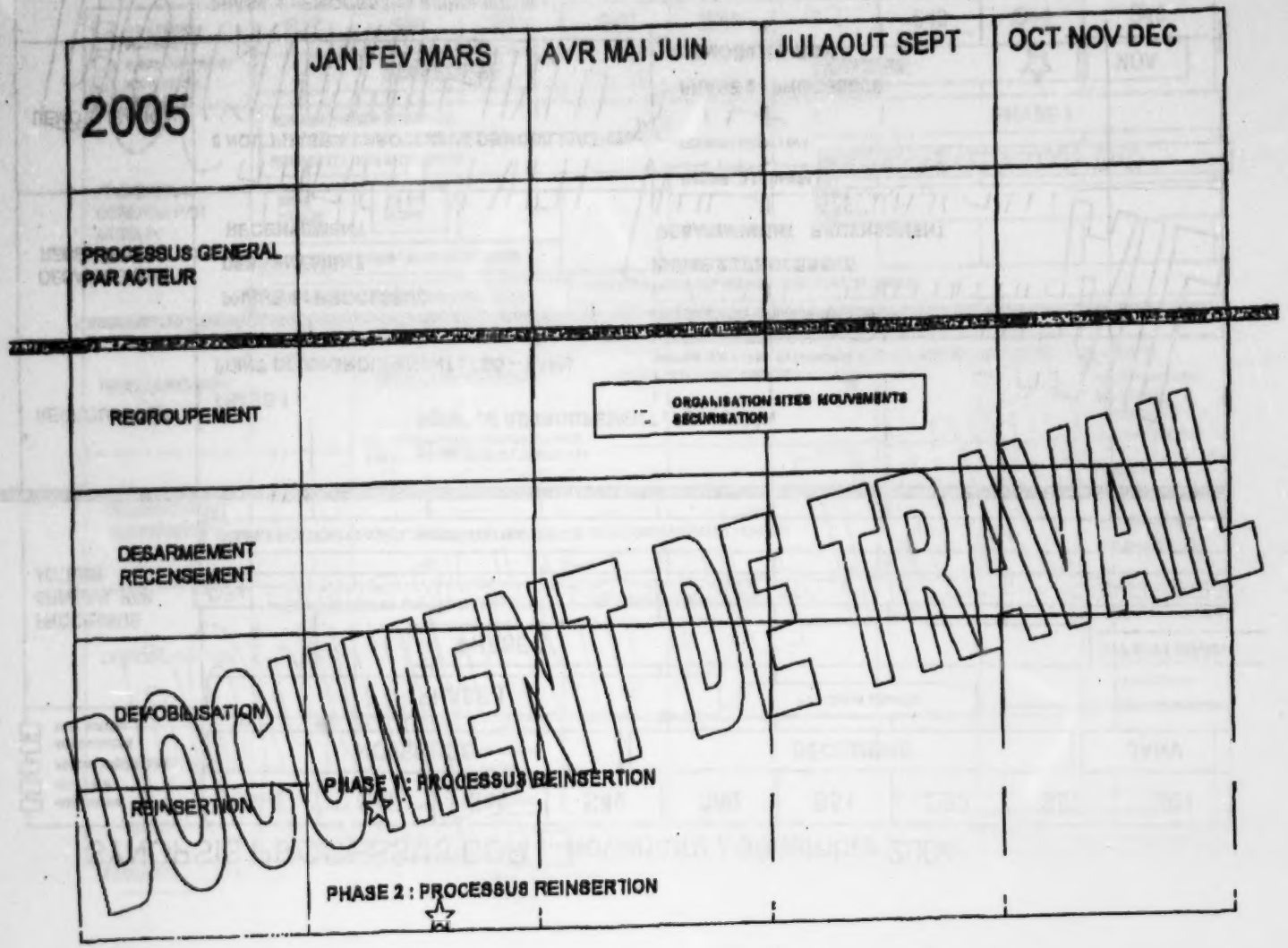

DOCUMENT DE TRAVAIL

United Nations S/2004/749

Security Council

Distr.: General
21 September 2004

Original: English

Report by the Secretary-General concerning the credentials of the alternate representative of the United Kingdom of Great Britain and Northern Ireland on the Security Council

Pursuant to rule 15 of the provisional rules of procedure of the Security Council, the Secretary-General wishes to report that he has received a letter dated 16 September 2004 from the Permanent Representative of the United Kingdom of Great Britain and Northern Ireland to the United Nations stating that Mr. Huw Llewellyn has been appointed alternate representative of the United Kingdom on the Security Council.

In the opinion of the Secretary-General, this letter constitutes adequate provisional credentials.

04-51753 (E) 210904

United Nations S/2004/750

Security Council

Distr.: General
22 September 2004

Original: English

Letter dated 21 September 2004 from the Secretary-General addressed to the President of the Security Council

This is to inform you that Mr. Victor Dupere (Canada), whom I appointed on 24 August 2004 to serve on the Group of Experts reconstituted by resolution 1552 (2004), is unable to assume his functions. Accordingly, in consultation with the Security Council Committee established pursuant to resolution 1533 (2004) concerning the Democratic Republic of the Congo, and taking into account the requirements set out in resolutions 1533 (2004) and 1552 (2004), I wish to inform you that I have appointed Mr. Moise Sow (Senegal) to serve on the Group of Experts.

Consequently, the Group of Experts is composed of Ms. Kathi Lynn Austin (United States of America), Mr. Jean Luc Gallet (France), Mr. Léon-Pascal Seudie (Cameroon) and Mr. Moise Sow (Senegal).

I should be grateful if you would bring this information to the attention of the members of the Security Council.

(*Signed*) Kofi A. **Annan**

04-52017 (E) 230904

United Nations S/2004/751

Security Council

Distr.: General
22 September 2004

Original: English

Letter dated 22 September 2004 from the Permanent Representative of the Republic of the Sudan to the United Nations addressed to the President of the Security Council

You may recall that my Government has continued to caution the Council about sending a wrong message to the rebel groups in Darfur. We strongly believe that the presentation of resolution 1564 (2004) has encouraged the rebels to adopt a position that led to the deadlock of the peace talks in Abuja. Our concerns about the impact of the wrong signals have also been echoed by some members of the Council. It is regrettable to note that as a direct consequence of the pressures and threats addressed to the Government, the rebels have resumed their violations of the ceasefire agreement. In this regard, I would like to bring to your attention the most recent events:

(a) On 16 September 2004, at 1 p.m., the rebels attacked the village of Al-Layet Jaralnabi, south-east of Al Fasher, killed many policemen and civilians and looted the market;

(b) On Saturday, 18 September 2004, the rebels attacked and destroyed a water tanker near Tawila, west of Al Fasher.

These violations have been reported to the African Union Ceasefire Commission.

I would highly appreciate it if you could kindly circulate the present letter as a document of the Security Council.

(*Signed*) Elfatih Erwa
Permanent Representative

04-51956 (E) 220904

United Nations S/2004/752

Security Council

Distr.: General
24 September 2004

Original: English

Letter dated 23 September 2004 from the Chairman of the Security Council Committee established pursuant to resolution 1521 (2003) concerning Liberia addressed to the President of the Security Council

On behalf of the Security Council Committee established pursuant to resolution 1521 (2003) concerning Liberia, I have the honour to submit the midterm report of the Panel of Experts, which has been prepared in accordance with paragraph 2 of resolution 1549 (2004) (see annex).

In this connection, the Committee would appreciate it if the present letter together with its annex were brought to the attention of the members of the Security Council and issued as a document of the Council.

(*Signed*) Munir **Akram**
Chairman
Security Council Committee established pursuant
to resolution 1521 (2003) concerning Liberia

04-50673 (E) 280904

Annex

Letter dated 13 September 2004 from the Chairman of the Panel of Experts on Liberia addressed to the Chairman of the Security Council Committee established pursuant to resolution 1521 (2003) concerning Liberia

On behalf of the members of the Panel of Experts on Liberia, we have the honour to enclose the report of the Panel, prepared in accordance with paragraph 2 of Security Council resolution 1549 (2004).

Panel of Experts on Liberia

(*Signed*) Atabou **Bodian**
Chairman

(*Signed*) Arthur **Blundell**

(*Signed*) Damien **Callamand**

(*Signed*) Caspar **Fithen**

(*Signed*) Tommy **Garnett**

Report of the Panel of Experts pursuant to paragraph 2 of Security Council resolution 1549 (2004) concerning Liberia

I. Introduction

General

1. Pursuant to Security Council resolution 1549 (2004) of 17 June 2004, the Secretary-General appointed a Panel of Experts on Liberia to undertake the tasks set out in paragraphs 1 and 2 of the resolution. Among other tasks, the Panel of Experts is to assess compliance with sanctions imposed by resolution 1521 (2003), on weapons, diamonds, timber products, and the travel of those people deemed a threat to lasting peace; sources of financing, such as from natural resources, for the illicit trade of arms; steps taken by the National Transitional Government of Liberia to establish an effective certificate of origin regime for trade in diamonds with a view to joining the Kimberley Process; and steps taken by the National Transitional Government to establish control over timber-producing areas and ensure that government revenues are not used to fuel conflict but for legitimate purposes for the benefit of the Liberian people. By its resolution 1549 (2004), the Council also decided that the Panel of Experts should monitor the implementation of the assets freeze imposed by resolution 1532 (2004), and the Council further requested that the Panel of Experts assess any humanitarian and socio-economic impact of the sanctions imposed by resolutions 1521 (2003) and 1532 (2004).

2. In response to a request from the Chairman of the National Transitional Government of Liberia, the Security Council decided (resolution 1549 (2004), para. 2) that the Panel should provide, within 90 days of the adoption of resolution 1549 (2004), a preliminary assessment of progress made in meeting the benchmarks established by the Security Council for the lifting of sanctions, particularly on diamonds and timber.

3. After preliminary work conducted in New York and elsewhere, the Panel travelled to Liberia during August 2004, and this report concludes the interim assessment on diamonds and timber. Pursuant to paragraph 2 of resolution 1549 (2004) the Panel will also present, by 10 December 2004, a final report covering the entire sanctions regime, including the arms embargo, the travel ban, the assets freeze, and the humanitarian and socio-economic impact of the sanctions.

Basis for the sanctions regime

4. In 2001, the Security Council demanded that Liberia cease its role in the Sierra Leonean civil war (resolution 1343 (2001)). To compel Liberia to meet that demand, sanctions were imposed on arms, diamonds, and the travel of key individuals providing support to armed rebels. Unsatisfied with progress, the Council retained sanctions, by resolutions 1408 (2002) and 1478 (2003), and extended them to establish audit regimes and to ensure that revenues from shipping and timber were used for legitimate purposes (resolution 1408 (2002)). To further increase pressure, in July 2003, the Council extended sanctions to include timber (resolution 1478 (2003). By December 2003, the Council noted the changed circumstances in Liberia, in particular the departure of former President Taylor and the formation of the National Transitional Government of Liberia (resolution 1521 (2003)), but the Council remained concerned that the Comprehensive Peace Agreement was not

universally implemented and that the linkage between the exploitation of natural resources and the proliferation of arms might be a major source exacerbating conflict in West Africa. The Council therefore renewed the sanctions on arms, diamonds, timber, and the travel of key individuals and, further required all States to seize relevant assets of Taylor and his close associates (resolution 1532 (2004)).

5. In a statement to the press made on 10 June 2004, following the Council's midterm review of the sanctions on Liberia in accordance with resolution 1521 (2003), the President of the Council noted, inter alia, that the peace process in Liberia was still fragile and that the conditions for the lifting of sanctions were yet to be fully met.

II. Liberia and regional stability

6. Although it is almost a year since the signing of the Comprehensive Peace Agreement, the future of Liberia remains uncertain. Corruption remains widespread, and the humanitarian situation is critical. There are serious concerns regarding food security — recently the World Food Programme almost ran out of relief supplies. Likewise, there are serious health concerns. Liberia still has no public electric, water and sewage utilities, even in the capital, Monrovia, where more than 1 million people live. Most border crossings remain under the control of the forces of Liberians United for Reconciliation and Democracy (LURD) and the Movement for Democracy in Liberia (MODEL). The United Nations Mission in Liberia (UNMIL) remains hampered by the Security Council mandate, which does not provide the Mission with the full executive authority that allows, for example, the arrest of those undermining peace or failing to disarm.

7. There are hopeful signs. UNMIL peacekeepers are fully deployed. Disarmament is proceeding calmly — over 70,000 have been registered as ex-combatants, having turned in more than 20,000 arms. Despite pockets of lawlessness, Liberia is now entirely at security Phase IV. As reported in paragraph 50 of the fourth progress report of the Secretary-General on UNMIL, as at 30 August 2004, the international community had delivered approximately 50 per cent of the funds promised at the United Nations Donors Conference on Liberia held in February 2004.

8. In summary, the overall security situation remains calm but unpredictable. Many ordinary Liberians, who did not wage war, are upset that attention and money are being focused on ex-combatants. In contrast, many ex-combatants remain upset that they have been abandoned by their former leaders, who are living comfortable lives in Monrovia. Although the process of disarmament, demobilization, rehabilitation and reintegration has been remarkably successful where it has occurred, it is not complete. People in rural areas anxiously await disarmament, demobilization, rehabilitation and reintegration, which they hope will increase local security. Likewise, many remain dissatisfied with corruption and criminality, and frustration has been expressed regarding the ineffectiveness of the Liberian police, especially when viewed in the light of the inability of the United Nations civilian police to make arrests. This frustration has led to a resurgence of mob justice, looting and illegal checkpoints. For the most part, UNMIL has been able to maintain order. However, the Mission's limited mandate undermines its ability to exert authority throughout Liberia.

III. Timber

Exports

9. Sanctions remain effective. During over-flights of Liberia's lowland forests, visits to the four ports, and on-the-ground assessments in Maryland, Grand Cape Mount and Nimba Counties, no evidence of widespread logging was detected. Limited pit sawing (processing logs using chainsaws) is occurring, presumably for the domestic market. But sanctions appear to have halted exports of timber.

10. There are persistent allegations in Monrovia that companies are exporting to Côte d'Ivoire and Guinea. However, investigations could not confirm these allegations. United Nations civilian police officers have been extremely helpful in monitoring the situation.

Security

11. At present, security remains low in the forests. On visits to Harper, Robertsport, Yekepa and Saniquellie, local officials complained about the control extended by the rebel groups MODEL and LURD at border crossings. Even in regions where UNMIL is present, peacekeepers generally cannot engage in policing, as they do not have the mandate to arrest. This has led to looting despite the presence of UNMIL, for example, the Oriental Timber Corporation mill in Buchanan until March 2004, and the Maryland Wood Processing Industries mill in Harper from April 2004, both by MODEL fighters.

12. To provide security for the Forestry Development Authority (FDA), United Nations civilian police are providing training for about 180 FDA enforcement officers (half as forestry officers, half as protected area officers) to be completed by October 2004. FDA claims to operate forestry checkpoints at the major arteries leading into Monrovia. There is no record of fines or penalties being collected by FDA.

Financial

13. Sanctions require that revenue from timber is not used to fuel conflict but for legitimate purposes for the benefit of the Liberian people. In resolution 1408 (2002), the Security Council originally requested an audit of the Forestry Development Authority. In June 2004, in preparation for a full financial and systems audit to be funded by the European Union, the Liberia Forest Initiative of the United States Government employed the Liberian firm Voscon to conduct a pre-audit of FDA. Voscon concluded that there was a complete lack of financial management systems at FDA. Voscon was unable to track revenue flows from the timber industry; FDA has no records of accounts receivable and payable, no registry of fixed assets, no petty cash system, no reconciliation of bank accounts, and has been collecting payroll taxes but not paying them. The European Union has decided not to proceed with its financial audit. A complete audit is useful to determine if and how funds were misappropriated and to ensure that this is not repeated, and to provide information for a review of taxes owed by logging concessionaires.

14. At present, FDA does not have a budget approved by the FDA Board of Directors. The National Transitional Government has not provided operating funds since April 2004, but did provide $350,000 to reopen the five FDA regional offices.

FDA purchased (on credit) VHF radios worth $19,000, and five pickup trucks. According to Voscon, $1,500 remained in FDA bank accounts as at 1 September 2004.

15. To correct the financial mismanagement, the Managing Director of FDA has agreed to appoint an independent firm to provide financial management, although funding has not yet been obtained.

Progress

16. In December 2003, the National Transitional Government produced a road map of the reforms necessary for sanctions to be lifted. The United States Embassy also organized a round table to provide stakeholder input on the road map. The table reports progress.

Reform programmes for lifting timber sanctions

Reform programmes	*Description*	*Completed as at September 2004*
Building the capacity of the Forestry Development Agency	Appoint FDA Board of Directors	Yes
	Structure management, adequately compensate staff and provide logistics	Staff not paid since April 2004
	Train field technicians and middle-level staff at a later date	No
	Prepare the terms of reference and commission an independent oversight committee with a mandate to raise community awareness, supervise and review non-governmental organizations and encourage sustainable forest management	No
	Request technical assistance for forest and financial management	Yes
Improving the transparency and accountability of the sector	Commissioning an audit of FDA	Voscon pre-audit revealed a lack of financial management; EU cancelled planned audit; Managing Director agreed to allow independent financial control system
	Establish a system for depositing all forestry revenues in accounts directed by the Ministry of Finance at the Central Bank of Liberia	Yes, all money to be paid to Central Bank
	Establish a system for funding FDA accounts with the Central Bank of Liberia based on budget allocation of quarterly transfer of funds from Government of Liberia accounts based on standing instruction	No, FDA operating funds are not budgeted by National Transitional Government; no funds from Government since April 2004

Reform programmes	*Description*	*Completed as at September 2004*
	Design a system for separate receiving and disbursing of reforestation and conservation fees	Yes
	Establish a system of reporting and making information accessible to the public	Managing Director has agreed to set up a web site with United States assistance
	Set up an independent oversight committee	No
Concession review	Recall and review all existing concession agreements	Phase 2 complete, Phase 3 to begin soon
	Impose penalties on companies violating sanctions	No
	Prepare addendum to concession agreements reflecting conservation policies and environmental policies	No
Conduct a forest inventory	Ground-truthing field surveys and maps from GIS	No
	Determine the potential value of forest resources (timber and non-timber forest products)	No
	Provide information for monitoring, taxation and enforcement	No
Park protection and development	Reconstruction of Sapo Park infrastructure	No; Sapo Park has been invaded by thousands of illegal miners associated with MODEL
	Provide equipment and materials for park management	No
	Train and deploy park personnel	No, United Nations civilian police are training about 180 enforcement officers
Mobilize technical and financial assistance	Participate in donors meeting and other promotional activities	Yes
	Discuss bilateral arrangements	Yes

Source: National Transitional Government Committee to Review Sanctions on the Log and Timber Trade.

Concession review

17. As a precursor to resuming activity, an FDA committee is examining all forestry concessions. In their Phase 1 report, FDA concluded that the industry owes $26,725,642 in taxes. A comprehensive audit is necessary to confirm this because many companies disagree with this finding. As at 1 September 2004, only the Mohammed Group of Companies (MGC) has repaid any back taxes ($7,000 out of $2.4 million that FDA claims MGC owes). In Phase 2, the committee recommended cancelling six concessions and further examining others. In Phase 3, the committee

has been expanded to include civil society and international donors, and will review all concessions for violations in the system of allocation of logging areas, failure to pay taxes, and violations of labour and environmental regulations.

Conclusions

18. Without sufficient security, timber companies will provide their own protection forces, and conflict could resume. Without financial oversight, misappropriation will facilitate corruption. And without enforcement, timber companies may violate regulations with impunity. To avoid the mistakes of the past, reform is necessary.

19. Although there is widespread compliance with timber sanctions, few of the necessary reforms have been implemented. Therefore, the recommendations contained in previous Panel reports (S/2003/779, S/2003/937 and S/2004/396 and Corr.1) remain valid. The following was provided to the Managing Director of the Forestry Development Authority in August 2004:

20. Paragraph 11 of resolution 1521 (2003) outlines two conditions. The first is that

(a) the National Transitional Government of Liberia establish its full authority and control over the timber-producing areas. This requires the following:

(i) A fully operational FDA, including:

- Functioning regional offices, properly equipped to manage the forest, monitor logging concessions and enforce forest-related laws and regulations
- Appropriately trained and compensated employees, including enforcement officers

(ii) Establishment of log tracking systems to ensure that illegal wood does not enter the legal supply chain. Otherwise, combatants could obtain revenue from illegal logging.

(iii) Access to information to facilitate independent oversight by civil society, including:

- The location and ownership of all concessions — in order to identify legal operations
- How these concessions were awarded — to ensure that only legitimate transactions are conducted
- For each annual coupe (cut block), a map of the location of all commercial species — to establish the volume of wood available for harvest
- Volumes and values of the harvest, production and export of all timber products (processed and unprocessed) by species — to establish what was harvested and how much tax should be assessed
- All tax assessed and paid, including services provided in lieu of taxes — to ensure that all taxes are collected

- All charges and violations, arrests, fines and penalties paid — to determine whether enforcement is practised

(iv) Review of concession ownership and revoking concessions of those who have violated Liberian laws

In view of past complicity by the former FDA administration, this review should include independent, credible entities from civil society and the international community.

(v) To ensure security, the National Transitional Government must assign police officers throughout Liberia and officials to control border crossing and ports.

- In the immediate future, it is unlikely that the National Transitional Government will be able to maintain this level of security, and it will rely on UNMIL
- FDA should coordinate with UNMIL and the United Nations civilian police for the timber checkpoints

(vi) Reliance by logging companies on private security services, as it is likely that security will be insufficient to protect valuable logging equipment in rural areas. In order to ensure accountability of these private forces, they must:

- Not be composed of former militia groups, as was common practice
- Remain unarmed; where armed security is needed the logging companies must procure the protection from the National Police Force
- Receive appropriate training from a credible facility
- Follow best practices on security and human rights

(vii) Establishment by FDA of rural security desks where locals can report cases of abuse by security forces.

(viii) Ensuring by FDA of adequate management and enforcement of the two parks, Sapo and Nimba, in order to establish full control of timber-producing areas that are afforded protection status.

(b) The second condition is that the National Transitional Government take all necessary steps to ensure that government revenues from the Liberian timber industry are not used to fuel conflict or otherwise in violation of the Council's resolutions but are used for legitimate purposes for the benefit of the Liberian people, including development. At present, FDA has not demonstrated a credible ability to ensure that funds are not misappropriated. Therefore, FDA must:

(i) Implement Executive Order No. 2.

(ii) Comply with the Managing Director's promise to employ an independent financial management company.

(iii) Make publicly available an accounting of all sources of revenue and expenditures since October 2003, including taxes and fines from:

- Processing of wood for domestic market
- Charcoal

- Bushmeat
- Any domestic logging, including pit sawing

(iv) Publish a schedule of all revenue flow, including fees and taxes.

(v) Publish enforcement actions taken to prevent illegal logging.

(c) UNMIL and the United Nations civilian police can assist in the following ways:

(i) Monitoring sanctions, especially border crossings, ports, and highways entering Monrovia.

(ii) As probably the largest purchaser of timber at present, UNMIL should institute a purchasing policy to ensure that only legal timber is used for United Nations construction.

IV. Diamonds

21. The Panel continues to enjoy a positive and constructive relationship with the Liberian Ministry of Lands, Mines and Energy, and commends the Ministry for its cooperation during recent assessments and investigations. The Ministry continues to demonstrate commitment towards satisfying the requirements of the Security Council for the lifting of the current embargo on the export of Liberian rough diamonds.

Present situation

22. The Panel visited the region during much of August 2004. Initial enquiries were conducted in Sierra Leone to ascertain whether any significant quantities of Liberian rough diamonds were entering that country. At ministerial level in Freetown, as well as among established contacts and informants known to the Panel, there was a broad consensus that illegal Liberian exports of rough diamonds continue to be negligible. This general situation is currently maintained by the poor weather conditions of the rainy season and continued concerns regarding overall security in mining areas, particularly as disarmament remains to be completed in areas traditionally associated with diamond extraction. Furthermore, acute shortages of the necessary equipment required to mine diamonds, in particular pumps and generators, as well as heavier earth-moving machinery, also continue to hamper considerably the attempts of those who would seek to dig and export illegally. The Panel visited the Sierra Leonean border towns of Kenema and Zimmi, but was unable to find any evidence of trade in Liberian rough diamonds.

Current patterns of mining activity

23. In Liberia, seasonal high water tables continue to keep mining activity at very low levels in the Upper and Lower Lofa regions of Lofa County. However, the Panel learned from sources that some mining was being conducted in more upland areas in Nimba County, particularly in the region of Gbapa. The Panel hoped to conduct an aerial survey of this area to assess broad levels of mining activity. However, severe weather conditions made this impossible. Instead, a ground inspection was undertaken south-west of Gbapa where two mining sites were found and examined.

This was done with the assistance of the Bangladesh Battalion and United Nations civilian police. The sites were photographed and their coordinates noted.

24. The first constituted an approximately 4-hectare site which had been cleared with a bulldozer (one of the very few privately owned, serviceable machines still in the country). This site was not producing: the laterite overburden was intact and any alluvial gravel remained uncovered. The local businessman developing the site, during an interview with Senior Ministry of Lands, Mines and Energy officials at which the Panel was present, argued that he held a valid permit for exploration and digging and was clearing the land in anticipation of the lifting of sanctions in what he believed would be the next 6 to 12 months. It was agreed by the Ministry that, as there is no blanket ban on mining activity in Liberia per se, only on the export of rough diamonds, he was not acting in contravention of any legal restrictions, either under national or international law. Depending on how long the United Nations rough diamond export embargo continues, this situation may require review by the Government of Liberia, particularly if, in the wake of disarmament, and with the onset of the dry season, diamond diggers begin moving back into mining areas in numbers.

25. The second was a much smaller "bucket and spade" operation which had produced some gravel for washing. Its size, and the poor standard of production methods, was broadly consistent with the low levels of "subsistence" mining which continue to occur in more remote parts of the Liberian bush and do not in any way approach levels of production associated with even small-scale commercial alluvial mining. The site was reported to the Ministry of Lands, Mines and Energy, which is currently investigating the case.

26. UNMIL military sources, both at command intelligence level in Monrovia and at field operational level in the interior, were consulted by the Panel for their impressions of current levels of mining. Both groups believed that mining activity remains at very low levels.

Steps taken by the Government of Liberia towards meeting Security Council requirements

27. Since the previous mandate of the Panel of Experts, the Ministry of Lands, Mines and Energy has submitted an Act amending the new Minerals and Mining Law, part 1, title 23, by adding thereto a new chapter 40, providing for controls on export, import and transit of rough diamonds to the National Transitional Legislative Assembly of Liberia. This legislation was drawn up earlier in 2004 in close cooperation with a director of the Antwerp Diamond High Council who also serves as the Chairman of the Working Group of Diamond Experts (Technical Working Group) of the Kimberley Process. Although its passage was initially stalled by a large backlog of outstanding matters, it was officially passed into law on 26 August 2004.

28. The amendment, broadly considered to be very tight in terms of Kimberley Process compliancy, sets out detailed regulations and requirements for:

Obtaining a Kimberley Process certificate

The import, export and transit of rough diamond consignments

Internal controls on rough diamond production and trade

Data analysis and reporting

Offences

Transitional measures.

29. The legislative process has been complemented by the development of some of the institutional and technical structures required for the successful implementation of the Kimberley Process Certification Scheme. Importantly, the premises of the Ministry of Lands, Mines and Energy have been completely refurbished, and a room set aside for the assaying of gold and the valuation of diamonds. However, this room still requires the weighing, photography and computer equipment necessary for Kimberley compliancy. A lack of funding has prevented the acquisition of the equipment.

Mining cooperatives

30. The Government is proceeding with plans for the organization of potentially thousands of miners into cooperatives. Following advice from international consultants, the Government believes that a cooperative system will greatly strengthen the Kimberly Process Certification Scheme by enhancing transparency within the industry. It is also hoped that a cooperative system will increase profits for small-scale diggers. It is intended that the cooperatives will be supported partly by established buying agencies and monitored by the Ministry of Lands, Mines and Energy. An established buying agency will enter into a supplier/buying agreement or contract with each cooperative in order to ensure sustainability. It is proposed that members of a cooperative will appoint a business manager to conduct trading on their behalf directly with the established buying agency. All the transactions will then be monitored closely by the Ministry of Lands, Mines and Energy to ensure greater transparency in terms of the flow of diamonds from the mine to the point of obtaining a Kimberley Process certificate and export. To support this process, the Government has drawn up proposals for establishing training schools for cooperatives. It is further proposed that two cooperative training schools be created in each of the four main geographical regions of Liberia. The establishment of mining cooperatives in the alluvial sector will be carried out in three phases, each lasting four weeks:

Phase 1

31. Mobilization of personnel; sensitization; and establishment and development of cooperatives.

Phase 2

32. Detailed training; evaluation of by-laws; certification of cooperatives; development of inter-agency working methods and procedures; and inspection of mining claims.

Phase 3

33. Delivery of supplies to cooperatives by the buying agencies; and full launch of scheme.

34. The Government estimates that the cost of establishing the cooperative system will be in the region of $900,000. However, at present, it lacks the funding for the implementation of the scheme.

Internal control

35. In preparation, the Government has already begun recruiting and training mines inspectors to oversee this scheme, which will be internally controlled by the issue of serialized alluvial sector vendor forms. Broadly, the system will work as follows:

(a) Cooperative business manager acquires serialized vendor forms from Ministry/Kimberley Process database office.

(b) Cooperative business manager conducts trading with buying agent in presence of Ministry Inspector. Ministry Inspector takes copy of transaction to Ministry/Kimberley Process database for production data and verification. Cooperative business manager retains one copy of form.

(c) Buying agent retains one copy of form, presents another copy to exporter to whom he sells goods originally bought from cooperative.

(d) Exporter takes goods to Ministry/Kimberley Process database, where form is verified with the Ministry Inspector's original form. In preparation for export, the Kimberley certification process is then able to commence.

External control

36. The Ministry of Lands, Mines and Energy has also begun inviting detailed bids for external valuation contractors which will be central to assessing fairly the correct value of export consignments for taxation purposes. It is likely that an external valuation company will also arrange the necessary valuation training for internal ministry staff. The Panel is aware that one well-established and experienced company has already made a bid for this contract. The Panel expects two or three other international companies to also make bids in the near future.

Acquisition of Kimberley-compliant certificates of origin

37. Although the Government has approached a number of printing companies, it has yet to finalize a contract for the manufacture of plates for the printing of Kimberley-compliant certificates, and for the ongoing supply of those certificates to issue to exporters. A lack of available funds has prevented the Government from achieving this key objective.

Kimberley Process engagement

38. Following the passing into law of the Kimberley-oriented amendment on 26 August 2004, the Minister of Lands, Mines and Energy, Jonathan Mason, contacted the Chairman of the Kimberley Process Committee, Tim Martin, to arrange a series of meetings which, it is hoped, will culminate in a Kimberley Process assessment mission to Liberia to examine steps taken by the Government towards participation. The Government of Liberia is keen that this should happen as soon as possible (the middle of October had originally been mooted), not least because it believes that a favourable assessment by the Kimberley Process would

make the acquisition of the necessary outstanding funding for full implementation more likely. However, the Kimberley Process has a number of previously arranged assessment missions it is committed to conduct in coming weeks, as well as its annual Plenary Conference scheduled for mid-October in Ottawa. In view of this, the earliest opportunity for a Kimberley Process assessment mission to visit Liberia is likely to be late November 2004, making full compliancy by the end of this year unfortunately an unlikely prospect, particularly given the efforts of the Government of Liberia over the past six months.

Conclusions

39. As a consequence of internal insecurity and seasonal weather conditions, alluvial diamond mining in Liberia remains at very low levels. Illegal exports of Liberian diamonds in contravention of Security Council sanctions therefore continue to be negligible. However, given that mining activity is not technically illegal, levels of illegal exports of diamonds may rise as diggers return to mining areas in the wake of disarmament and with the onset of the dry season. It may be necessary for the Government of Liberia to review this situation and introduce temporary controls to prevent an upsurge of illegal smuggling abroad.

40. The Government of Liberia is proceeding well towards meeting the requirements of the Security Council for the lifting of sanctions on the export of Liberian rough diamonds. It has demonstrated commitment and technical expertise towards achieving that goal. However, its biggest obstacle remains funding for the materials and mechanisms necessary for the implementation of the Kimberley Process Certification Scheme. Without direct funding for its proposals, it is unlikely that the Government of Liberia will be able to meet the full requirements necessary for its participation in the Kimberley Process Certification Scheme for some time.

41. In view of the fact that a Kimberley Process assessment will not be conducted before late November, it is extremely unlikely that the Government will be in a position to become a participant in the Kimberley Process Certification Scheme before the end of 2004.